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Secretary Baker

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U.S. and Latin America: A Shared Destiny

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Following is an address by Secretary Baker before the Council of the Americas, Washington, D.C., May 1, 1989.

I do believe that we meet at a rather historic moment for Latin America, and for that matter, a rather historic moment for the United States. Across the Americas today, from Punta Arenas to California, an old order is dying and a new world is struggling to be born.

Brazil is manufacturing communication satellites. Mexico has joined the GATT [General Agreement on Tariffs and Trade]. A new vision of regional trade and integration is taking shape in the Caribbean Basin. And the winds of democracy are blowing across the hemisphere, from Chile to Paraguay to Central America.

The United States, I'm happy to report, does not stand aloof from the historic changes which are transforming our hemisphere—just the opposite. We are proudly rediscovering our shared heritage with Latin America and our shared heritage with the Caribbean.

Stand in the Miami airport today, or go as I do frequently to San Antonio. Close your eyes and listen. You could easily imagine yourself in Caracas or in San Jose. The fifth largest Spanish-speaking community in the world now lives in the United States of America.

Soon we will be entering the 21st century, and the hemisphere will face a choice between two very, very different futures. Down one road lies a vision of freedom and opportunity and economic development. It is a vision in which all citizens share as partners in a global economy and as a true community of democratic nations. Down the other road lies a failed vision of dictatorship, state control, and missed opportunity. We know which road we have to travel, and we know that we've all got to travel that road together. To put it simply, the United States, Latin America and the Caribbean need each other today as never before.

Confronting Common Issues

The agenda of issues before us confirms, I think, the new reality—democracy; development; debt; trade; drugs; migration; the environment; nuclear proliferation. These are not responsibilities which one could label "north" or "south." They are, instead, the common challenges that we must confront together to shape successfully our shared destiny.

In recent weeks and months, President Bush and I have heard that very message. We have heard it, as a matter of fact, in person from Presidents Salinas [Mexico], Alfonsin [Argentina], Perez [Venezuela], Sarney [Brazil], Arias [Costa Rica], Azcona [Honduras], Cerezo [Guatemala], and Duarte [El Salvador], and from Prime Ministers Charles [Dominica], Manley [Jamaica], Robinson [Trinidad and Tobago], and Sandiford [Barbados].

I believe the region's democratic leaders are reaching out to the United States to offer a new partnership, one based on mutual respect and one based on shared responsibility. The new President of the United States and his new Administration have an answer. And that answer is: We are also reaching out.

The problems we face will not be resolved through quick promises, and they are not going to be resolved with easy answers. Instead, we've got to confront them together; we've got to confront them with candor; we've got to confront them with commitment; and we've got to confront them with courage. We can begin by recognizing a simple truth that we have forgotten too many times in the past, and that is that we have much to learn from each other.

In recent years, the people of North America have learned a lesson from the people of Latin America, a lesson about personal courage and about the passion of ordinary people to be free. Peasants and political leaders, shopkeepers and market ladies have defied death threats and guerrilla violence, colonels and *comandantes*, to stand up for democracy. We learned that lesson again last March in El Salvador, and we will learn it again next Sunday in Panama.

We have watched far-sighted democratic leaders take the first vital, and often politically difficult, steps to shed layers of state regulation and special preference that for too long have held in check the creative, productive energies

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of this hemisphere. And we have watched them accentuate values we hold dear with their own special sense of family, friendship, culture, and hospitality. We hope that our experience in the United States with democracy—we hope that our experience in the United States with a free economy—may offer useful lessons to our friends in Latin America.

The United States enjoys political stability, peaceful succession of power, unquestioned civilian authority, and the steady expansion of human rights. We enjoy these blessings because for 200 years—for 200 years—we have struggled to ensure that every citizen in the United States can shape his or her own political destiny. We are committed to helping our neighbors wage that successful democratic struggle also.

We have also learned that a free economy releases the energies of individuals and entrepreneurs, that it rewards initiatives, and that it offers upward mobility. Economic liberty is the surest way to fulfill the aspirations of our citizens. Those nations which have turned to this model have already begun to see a tangible reward.

During earlier phases of our history, we in the United States too often sought rapid growth at the expense of our nation's environment. We hope that other nations can learn from our mistakes, rather than repeating them.

While we have much to learn from each other, I think it's fair to say also that we have much to expect from each other as well. Together we must set aside the easy politics of blame and the easy politics of mutual recrimination. Let us forge instead a new bond of cooperation and mutual responsibility.

Democracy: Sweeping Latin America

The democratic wave sweeping Latin America today has been propelled by the aspirations of ordinary people for freedom and for a better life. Now, one question, above all others, confronts this hemisphere: Can democracy deliver?

Can democratic governments begin to satisfy their peoples' basic needs for jobs, health care, homes, and schools? Can fragile, new, civilian regimes construct and strengthen democratic institutions? Can they protect their citizens against organized violence from both the extreme right and the extreme left? And can they normalize succession of power through peaceful electoral processes? The answer to these questions has got to be yes.

Yet, hanging over every decision which the region's elected leaders contemplate is the specter of deep economic and social crisis and the weight of a burgeoning foreign debt. "The elected Presidents of the continent," *The Economist* magazine wrote recently, "rule from capital cities ringed by shantytowns, swollen with refugees from the depressed countryside."

That, of course, is not our shared vision of the hemisphere's future. Clearly, the countries of Latin America and the Caribbean must begin to grow again, and the fruits of that growth have got to be widely shared.

To grow, the region cannot continue to be a net exporter of capital. Instead, it must create a climate for investment that will bring capital flight to the region, and that will, at the same time, attract new capital flows. Debt is a problem, but debt, quite frequently, is also simply a symptom of a larger problem. Listen to the words of Carlos Andres Perez to a group of international labor leaders some 3 or so weeks ago: "If we say, for the sake of argument, that the debt disappears and if we continue managing our economies as we have managed them in the past, inevitably we would continue in the same situation of unemployment and disaster."

Today, democratic governments must try to reform bloated state-dominated economies, service their debt, and satisfy the real needs to their citizens—all at the same time. We understand that facing this challenge alone is a nearly impossible juggling act.

Facing the Challenges Together

We do not expect Latin American nations to face this challenge alone. As they move forward to take the necessary, but difficult, steps to restructure and reform their economies, we must be prepared to hear their calls for help. When a poor country like Bolivia makes exemplary market-oriented reforms and sticks to them in the face of falling export prices and mounting political costs, we have got to be ready to lend a helping hand. Indeed, it is a responsibility all of us—we in government and in the international financial institutions, and you in the private sector and the commercial banks—must all accept together.

Within its first 5 weeks, the Administration announced a new approach to help reduce Latin America's debt burden. In the weeks and in the months to come, we must negotiate, case by case, the details of that policy to ensure continued economic reform, a real reduction in existing debt burdens, and new capital flows in the future.

If we ask Latin Americans to strip away the layers of protection that shield their economies from the free flow of trade in goods and services, then we, too, must confront protectionism in the United States, and we must steadily reduce the barriers to products from the rest of the hemisphere.

If we ask that Latin Americans confront the new menace of organized drug cartels, now often in league with guerrilla movements, then we must not only assist them in that effort, but we must also confront the terrible demand that exists in our country for these drugs. Only by tackling supply and demand can we free our hemisphere from the drug menace.

If we are engaged in a joint venture north and south to advance and defend democracy, then each of us must do our part—collectively when possible—to create new mechanisms and to strengthen existing ones to defend human rights, to guarantee the integrity of free elections, and to establish sanctions against those who threaten democratically elected governments.

In Panama, free and fair elections this coming Sunday would end that nation's political and economic crisis, and it would end its international isolation as well. Unfortunately, the Noriega regime's response has been to prepare for a massive fraud and to restrict the presence of international observers and press.

If democracy is to continue to develop in this hemisphere, practices such as this simply cannot be tolerated. The position of the United States, I think, is quite clear. And that simply is that there can be and will be no accommodation as far as we're concerned with a Noriega-dominated regime. There is still time for Panamanians to save their country from the increasing destruction wrought by the Noriega dictatorship. The key is in the hands of the defense forces. They can fulfill their constitutional duty as professional soldiers and allow elections to proceed freely and fairly. Or they can face the consequences of the past on which General Noriega has placed them.

If the peoples and the governments of Latin America and the Caribbean ask the United States of America to forgo unilateral initiatives and work instead in good faith with the region's democracies in a new, cooperative effort to support democracy, then, I think, it's only fair that we ask these same peoples and governments to join with us in good faith to turn the promise of that

diplomacy into a reality throughout this hemisphere.

The Administration, as you know, has negotiated a new bipartisan accord with the Congress on Central America [see Selected Documents No. 36, "U.S. Support for Democracy and Peace in Central America"]. We are committed to work with the democratic leaders of Central America and of the rest of the Americas to translate the bright promise of the Esquipulas agreement into concrete realities on the ground. That is a challenge, but frankly, it is also an opportunity. All those who advocate diplomacy and political solutions to the region's conflicts now have a responsibility to prove that this is the best and the surest route to achieve our common goals. The promises in that regional treaty for democracy, for peace, and security must not only be kept, they must be verified.

We are prepared, as President Bush declared in announcing the accord, to support a process that guarantees democracy in Central America. But the United States cannot support a paper agreement that sells out the Nicaraguan people's right to be free, and their right to enjoy a free and honest democratic election.

Together with the other democracies, we have got to send a clear message to others outside this hemisphere, and we will be sending this message: This hemisphere is not a dumping ground for their arms or for their failed ideologies. We are looking for signs of new thinking. The Soviet Union now has an opportunity to demonstrate its so-called new thinking in concrete and tangible ways in Central America. That is what Esquipulas requires, that is what the democratic community demands, and that is what the economic integration and development of that war-torn region really requires.

Some look at the crises and problems facing Latin America today, and they despair. I am not one of those. I really believe that if we seize the opportunities before us, we can achieve what the pioneers and frontiersmen who first settled these lands could really only dream.

I believe the day will come when Carlos Andres Perez and Raul Alfonsin, Vinicio Cerezo, Jose Napoleon Duarte, Carlos Salinas, Julio Sanguinetti [President of Uruguay], Jose Azcona, Oscar Arias—and many, many others—will be seen as the pioneers who blazed the trail that will lead one day to the world's first democratic hemisphere. I believe that the hemisphere can become a model for the rest of the planet for a true partnership between the developed and developing nations, where trade is free, where prosperity is shared, and where the benefits of technology are harnessed for all.

And I believe that through joint effort and through partnership, the day will come when in all nations of the Americas the rule of law prevails, human rights are respected, the strong are just, the weak are secure, and the people live in peace.■

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